

EC PROGRESS QUESTIONS (10/18/99 version)

The following questions are designed to assist agencies in assessing their progress in using electronic commerce (EC) to improve buying and paying functions and to help OMB evaluate this progress government-wide. The questions are the result of an interagency effort and are intended to help elicit progress in using EC from the perspective of the procurement, finance, and information technology functions within the agency. Each of these functions should participate in considering these questions, as appropriate.

Efforts have been taken to minimize burden in responding to the questions. In many instances, questions have been shaped to elicit information of a more general – rather than a specific – nature. Responses need not be lengthy, but should be sufficient to enable meaningful analysis. To this end, agencies should not hesitate to qualify their responses as necessary (e.g., if a question seeks a “yes or no” answer and such a response is insufficient, please provide additional explanation as necessary).

Agencies are encouraged to highlight successful efforts to reengineer buying and paying processes that take advantage of new technologies to improve the efficiency and effectiveness of those processes.

In submitting responses, please be sure to identify an overall point of contact. If there are specific points of contact for specific building block initiatives separate from the overall contact, please identify them as well.

I. BUILDING BLOCK: CHANGE MANAGEMENT

A. Issuance of Guidance

1. *Key policies established in FY 1999.* -- In FY 1999, did your agency issue any key agency-wide policy statements or regulations addressing the use of EC in buying, paying, or both? If so, please identify the guidance (e.g., provide a web cite, Federal Register cite, or a copy of the guidance) and briefly describe its purpose.

B. Inter-agency Management Structures

1. *Inter-agency support for agency missions.* -- Please complete Table 1 for each inter-agency management body identified below on which your agency is represented by briefly identifying:
(a) the reason why your agency has chosen to participate on the body, (b) the specific projects or initiatives that were facilitated within your agency during FY 1999 as a result of participation, and (c) efforts that you would like to see pursued by the body during FY 2000-2001.

Table 1. Interagency Activity.

Purpose for Partic.	Accomplished Initiatives	Future Priorities
Committee:		
a. Interagency Acquisition Internet Council		
b. PKI Steering Committee		
c. EC Coordinators		
d. GSA's Federal EDI Standards Mgmt Coordinating Committee		
e. EFT Policy Working Group		
f. SmartCard Project Mgmt Group		
g. Other		

C. Internal Management

1. *Coordination.* – In order to assist in determining how your agency is addressing section 30(c)(1) of the OFPP Act (which calls for systems, technologies, procedures, and processes to be implemented with uniformity throughout the agency, to the extent practicable), please identify the steps your agency is taking to ensure EC initiatives are addressed in a cross-functional, collaborative manner among procurement, finance and IT organizations within the agency. For example, as of FY 1999, does your agency undertake some or all of the following?

- a. Meetings – The agency's Senior Procurement Executive (SPE), Chief Information Officer (CIO), and Chief Financial Officer (CFO) and logistics manager meet regularly to specifically address issues related to the use of EC in buying and paying.
- b. Sponsorship – The CIO, CFO and SPE jointly sponsor or support procurement and payment EC projects (please provide an example).
- c. Review – Agency procedures require SPE, CFO, and CIO review and/or approval of major acquisitions related to EC applications that potentially impact both buying and paying functions.
- d. Other (please describe).

2. *Prioritization of issues.* -- What are the top three EC initiatives among your agency's buying, paying, and information technology communities? Why do you consider these three activities to be the most influential or important in furthering your agency's EC plan?

3. *Use of existing systems.* -- In pursuing any new efforts in FY 1999, was due consideration given to the use or partial use, as appropriate, of existing EC systems and infrastructures within the agency? How is this consideration ensured?
4. *Use of non-commercial systems.* -- Did any EC initiatives involve the acquisition in FY 1999 of non-commercial systems (or are any such acquisitions imminent)? If so, please identify the initiative for which such acquisitions occurred and the rationale for acquiring non-commercial items. What management steps are taken prior to undertaking a non-commercial acquisition?
5. *Cost metrics.* -- What cost related metrics is your agency currently using to measure the success of your EC buying and paying initiatives (e.g., do you compare transaction costs of paper-based processes to that of EC-enabled processes, etc.)?
6. *Managing change.* -- What steps has your agency taken in FY 1999 to help procurement, finance, and program functions effectively cope with the transition from paper-based to electronic buying and paying processes?

D. Outreach

The questions in this subsection are designed to help agencies address their compliance with section 30(c)(3) of the OFPP Act, which requires agency EC systems, technologies, procedures, and processes to facilitate access to “opportunities for small business concerns, socially and economically disadvantaged small business concerns, and business concerns owned predominantly by women.”

1. *Use of outreach tools.* -- Which of the following resources does your agency use on a regular basis?
 - a. The Small Business Administration’s PRO-Net.
 - b. The Department of Commerce’s Minority Business Development Agency’s Phoenix and Opportunity Databases (the “Phoenix System”)
 - c. Electronic Commerce Resource Centers.
2. *Additional tools.* -- What additional tools (or enhancements to existing tools) could assist your outreach efforts?
3. *Additional outreach efforts.* -- What additional actions has your agency undertaken in FY 1999 to assist small businesses in transitioning to an electronic environment?

E. Service Provider Change Management

1. *Strengthening buying and paying through EC as a service provider.* -- Does your agency provide services to other agencies that support their procurement and payment processes? If so, please briefly describe how you are applying EC to make those processes easier, faster, and less costly.

F. Additional Efforts

Please briefly address any additional major initiatives (not otherwise discussed above) being undertaken by your agency to address change management.

G. Agency Overall Evaluation of Progress: Change Management

1. *Overall progress toward achieving expectations in implementation plan.* – How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?

- a. On track.
- b. Behind target dates.
- c. Ahead of target dates.

2. *Barriers.* -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.

3. *Significant modifications to implementation plan.* -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify.

II. BUILDING BLOCK: ELECTRONIC CATALOGS

Note: For purposes of the questions set forth for this building block –

Federal electronic catalogs are those that are created by or at the direction of an agency. They may be operated either by the government or a service provider and generally provide access to existing government contracts.

Commercial electronic catalogs are those that are not created by or at the direction of an agency. They are developed and operated by a commercial service provider. They provide vendor information and may provide access to preexisting government contracts.

A. Use of Existing Federal Catalogs

1. *Guidance on usage.* -- Has your agency established any guidance (in FY 1999 or before) regarding the use of Federal electronic catalogs for market research, ordering, and payment? If so, what is the general intent of the guidance regarding each of these functions? For example:

- Are agency buyers (or end users) asked to research and consider ordering from Federal electronic catalogs before making an open market purchase?
- Is there a preference for an agency's own catalog over that of another agency?
- Up to what dollar level are use of purchase cards encouraged?

2. *Level of Federal electronic catalog usage.* – Please complete Table 2 by providing a general sense of the extent to which your agency relied upon Federal electronic catalogs in FY 1999 to assist or accomplish market research, ordering, and payment for products and services through the catalog's electronic infrastructure (as opposed to through use of an electronic tool such as a purchase card outside the catalog infrastructure) (a) under the micro-purchase threshold (i.e., \$2,500), (b) between \$2,500 and \$25,000, and (c) over \$25,000. (Note: responses may be based on an informal sampling of buyers and end users):

Table 2. Federal Electronic Catalog Usage

<u>Function:</u>	General Level of Use		
	Some Buys	Most Buys	Almost All Buys
a. Market research			
b. Ordering			
i. Products <\$2,500			
ii. Products \$2,500-\$25,000			
iii. Products >\$25,000			
iv. Services <\$2,500			
v. Services \$2,500-\$25,000			
vi. Services > \$25,000			
c. Payment (<i>through the catalog's electronic infrastructure</i>)			
i. Products <\$2,500			
ii. Products \$2,500-\$25,000			
iii. Products >\$25,000			
iv. Services <\$2,500			
v. Services \$2,500-\$25,000			
vi. Services > \$25,000			
3. <i>Usage trend.</i> – Generally speaking, did usage in any of the strata identified in Table 2 either increase or decrease substantially in FY 1999? If so, in what areas?			

4. *Utility of catalog purchasing for particular types of products and services.* – Please complete Table 3 by indicating the effectiveness of existing Federal electronic catalogs for enhancing market research, ordering and payment for the specified products and services. Choose “H” for highly effectively, “M” for moderately effective, and “L” for minimally effective.

Table 3. Utility of Federal Electronic Catalogs

Market Research Ordering Payment

Category:

- a. IT Products
- b. IT Services
- c. Office Products
- d. Maintenance & Repair
- e. Professional, Admin. & Mgmt
Support Services
- f. Training Services
- g. Utilities & Housekeeping Services
- h. Transportation & Travel

5. *Use of Federal electronic catalogs versus commercial electronic catalogs.* -- Generally speaking (based on informal sampling of agency buyers and end users), when market research efforts included examination of electronic catalogs in FY 1999 --

- a. How often did your agency review involve Federal electronic catalogs:
 - i. More than half of all reviews involving electronic catalogs.
 - ii. Less than half of all reviews involving electronic catalogs.
- b. How often did your agency review involve commercial electronic catalogs:
 - i. More than half of all reviews involving electronic catalogs.
 - ii. Less than half of all reviews involving electronic catalogs.

6. *GSA Advantage! & DoD Emall* – In what ways, if any, do you believe the EC applications of either GSA Advantage! (the catalog of the GSA supply system) or the DoD E-mall could be enhanced to help your agency bring market pressures further to bear in the placement of orders?

7. *Areas for improvement.*-- What limitations, if any, has your agency experienced in FY 1999 regarding the capabilities of catalogs generally? What improvements would you like to see?

B. Operation of Catalogs

The questions in this subsection apply only to agencies that operate Federal electronic catalogs.

1. *Creation / termination.* – In FY 1999, did your agency either establish or terminate any electronic catalogs? If so, what was the main reason for doing so?

2. *Level of usage.* – Did your catalogs generally experience a growth in purchase activity in FY 1999 from that which occurred in FY 1998?

3. *Level of inter-agency activity.* – In FY 1999, who was the primary customer of the catalogs (considered in the aggregate) operated by your agency?

- a. Customers from within the agency.
- b. Customers from outside the agency.
- c. A roughly equal split between customers from inside and outside the agency.

4. *Catalog capabilities.* – Please complete Table 4 by indicating whether your catalogs (taken in the aggregate if you have more than one) offered the specified capabilities for actions under \$25,000 in FY 1999.

Table 4. Catalog Capabilities for Actions Up to \$25,000

Estimated Level of Availability for Catalog Actions			
Available for:			
All Actions	More than ½	Less than ½	Not Avail

Capability:

- a. Buyer access through
the Internet in conformance with
the Open Buying on the Internet
(OBI) and/or Extensible Markup
Language (XML) standards
- b. Buyer payment by credit card through
the catalog electronic infrastructure
- c. Electronic billing.

5. *Planned enhancements.* – What specific enhancements are you planning to make with respect to your electronic catalogs? What specific weaknesses do these enhancements address?

C. Additional Efforts

Please briefly address any additional major initiatives (not otherwise discussed above) being undertaken by your agency to address use of electronic catalogs.

D. Agency Overall Evaluation of Progress: Electronic Catalogs

1. *Usage of catalogs.* – Generally speaking, how did your usage in FY 1999 of Federal electronic catalogs compare to your agency's FY 1999 general expectations for catalog usage?
 - a. Met expectations.
 - b. Exceeded expectations.
 - c. Fell short of expectations.
2. *Overall progress toward achieving expectations in implementation plan.* – How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?
 - a. On track.
 - b. Behind target dates.
 - c. Ahead of target dates.
3. *Barriers.* -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.
4. *Significant modifications to implementation plan.* -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify?

III. BUILDING BLOCK: ELECTRONIC PAYMENTS

A. General Usage

1. Innovations and challenges. – What steps has your agency taken in FY 1999 to increase the number of payments (especially to vendors) made electronically? What challenges have you experienced in this area? For example, have you experienced any difficulties in making electronic payments to any particular groups or industries, such as medical service providers, utilities, or others? What steps have you taken or do you plan to take to address these difficulties? What government-wide steps might mitigate these difficulties?

2. EC payment applications of other agencies. -- Has your agency examined the utility of payment mechanisms in use by other agencies, such as the prime vendor payment mechanism and other mechanisms described in the electronic payments building block in OMB's FY 1999 report to Congress? If so, do you have plans to adopt any such mechanisms?

3. Integration. – To what extent has your agency integrated the payment process with the procurement process in FY 1999 (e.g., can invoices be submitted, reviewed, and paid electronically)?

B. Additional Efforts

Please briefly address any additional major initiatives (not otherwise discussed above) being undertaken by your agency to address this building block.

C. Agency Overall Evaluation of Progress: Electronic Payments

1. Overall progress toward achieving expectations in implementation plan. – How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?

- a. On track.
- b. Behind target dates.
- c. Ahead of target dates.

2. Barriers. -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.

3. Significant modifications to implementation plan. -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify.

IV. BUILDING BLOCK: IDENTIFICATION AND AUTHENTICATION

A. EC Security Initiatives

1. *General efforts.* -- What efforts did your agency undertake in FY 1999 to ensure that electronic transactions are conducted with appropriate assurance of security so that buyers and sellers can be properly identified and authenticated and information can be shared without compromising confidentiality and integrity? Please identify those mechanisms upon which you are regularly relying and those that you are investigating or piloting.

B. Managing Seller Information

1. *Method of collection.* -- How did your agency collect vendor data in FY 1999?

- a. Through a registry.
- b. Through an agency system.
- c. On a transaction-by-transaction basis.
- d. Through a financial intermediary.
- e. Other (please describe).

2. *Collection tool.* -- What commercial or in-house product or service does your agency use to collect the data?

3. *Point of collection.* -- At what point(s) in the buying and paying process is vendor data collected?

4. *Redundant collections.* -- Are there any redundant collection points? What is the general rationale for the duplication?

5. *Storing information.* -- In FY 1999, did your agency store vendor information for future use? If so, who developed the database (e.g., in-house, commercial product)?

6. *Use of Central Contractor Registration.* -- If any organizations within your agency used the Department of Defense's Central Contractor Registration (CCR) in FY 1999, please answer the following questions:

- a. Which organizations within your agency used the CCR?
- b. What function(s) was the CCR used to accomplish? (e.g., to verify the contractor's taxpayer identification number (TIN), etc.)

7. *Redundant keying of information.* -- If your agency has a vendor information database or uses the CCR, are buyers able to download information to eliminate re-keying of information?

8. *Use of past performance database.* -- Does your agency draw contractor past performance information (PPI) from an electronic/automated database? If so, what system are you using?

- a. In-house database
- b. National Institute of Health (NIH) Contractor Performance System.
- c. Other (please identify).

9. *Capabilities of past performance database.* -- Does the automated PPI database which your agency uses have the capability to accommodate large omnibus contract work and collect and store various inputs that results from having multiple technical representatives?

C. Additional Efforts

Please briefly address any additional major initiatives (not otherwise discussed above) being undertaken by your agency to address managing seller information.

D. Agency Overall Evaluation of Progress: Authentication and Identification

1. *Overall progress toward achieving expectations in implementation plan.* – How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?

- a. On track.
- b. Behind target dates.
- c. Ahead of target dates.

2. *Barriers.* -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.

3. *Significant modifications to implementation plan.* -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify.

V. BUILDING BLOCK: CONTRACT FORMATION AND ADMINISTRATION

A. Access to Business Opportunities and Related Documentation

1. *Solicitations, awards, and related documentation.* -- Does your organization make solicitations, notices of awards, and related documentation available electronically? If so, how is this currently being accomplished? (Please identify all that apply.)

- a. Through use of the General Services Administration's (GSA) Electronic Posting System (EPS).
- b. Through an agency homepage.
- c. Through an agency homepage hyper-linked to the Department of Commerce's website, CBDNet.
- d. Through an activity homepage.
- e. Through an activity homepage hyper-linked to CBDNet.
- f. Other (please specify).

B. Responses and Negotiations.

1. *Receipt of proposals.* -- Can your agency receive bids and/or proposals over the Internet ? If so, how is this being accomplished? (e.g., as an email attachment)? What is the general dollar range of such transactions? How, if at all, does the application you employ organize the responses to prepare for analysis?

2. *Secure receipt of responses & negotiations.* -- Can you receive proposals and/or conduct negotiations securely. If so, how is this being accomplished? What is the general dollar range of such transactions?

C. Additional Efforts

Please briefly address any additional major initiatives (not otherwise discussed above) being undertaken by your agency to address use of EC applications in contract formation -- including source selection -- and administration.

D. Agency Overall Evaluation of Progress: Contract Formation and Administration

1. *Overall progress toward achieving expectations in implementation plan.* -- How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?

- a. On track.
- b. Behind target dates.
- c. Ahead of target dates.

2. *Barriers.* -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.

3. *Significant modifications to implementation plan.* -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify.

VI. BUILDING BLOCK: CONTRACT WRITING SYSTEMS

A. General usage

1. *Use of contract writing systems.* -- Does your agency use an automated acquisition / contract writing system? If so, was it developed commercially (please identify the product) or in-house? Is any one system currently operational throughout the agency?

2. *Functions performed.* -- If your agency has an automated acquisition / contract writing system, please identify which of the following functions it accomplishes (please identify all that apply):

- a. Development and issuance of requisitions by the program office/requiring activity to the buying office.
- b. Determination if funds are available for a contract.
- c. Preparation of synopses for direct transmission to CBDNet (or its successor).
- d. Development of solicitations.
- e. Automatic insertion of applicable provisions in solicitations necessary to comply with law and regulation.
- f. Preparation and issuance of award documentation.
- g. Preparation of receiving reports for transmission to and review by paying offices.
- h. Generation of workload or process statistics.
- i. Collection of contract award data.
- j. Other (please specify).

3. *Future opportunities for collection of contract information.* -- Please provide the following information with respect to your agency's collection of contract information:

- a. Please identify the fields of information your agency collects that are not required in the Standard Form 279 (FPDS Individual Contract Action Report). For Defense agencies, please identify information collected that is not required in by the DD Form 350 (Individual Contracting Action Report).
- b. Please identify the fields of information that are currently collected manually (e.g., entered into batch files and transmitted by a person). In your agency's opinion, which, if any, of these fields are not appropriate candidates for electronic collection?

4. *Interfaces.* -- What, if any, of the following interfaces does your automated acquisition / contract writing system have? (Please identify all that apply.)

- a. Interface with invoice review and payment control points (i.e., finance organization).
- b. Interface with receipt and acceptance control points.
- c. Interface with agency system that provides data to GSA's Federal Procurement Data System (without the need for rekeying).

5. *Implementation.* -- To the extent your agency has an automated acquisition / contract writing system with successful interfaces between at least two functions (e.g., buying, paying, logistics), what approach was taken to successfully secure the participation and agreement of affected stakeholders?

B. Electronic Forms

1. *Use of electronic forms.* – Does your agency have procurement and/or payment forms available on the Internet? If so, please provide form numbers and titles of the forms used or samples. In addition, please answer the following:
 - a. Are these forms used in their electronic form by the entire agency, or just certain components.
 - b. Can these forms be completed and approved electronically? Can these forms be reviewed cross-functionally?
 - c. How are your agency's web-based forms integrated with your automated acquisition / contract writing system?
 - d. What commercial or in-house product is used to generate the forms?

C. Additional Efforts

Please briefly address any additional major initiatives (not otherwise discussed above) being undertaken by your agency to address automated acquisition / contract writing systems.

D. Agency Overall Evaluation of Progress: Contract Writing Systems

1. *Overall progress toward achieving expectations in implementation plan.* – How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?
 - a. On track.
 - b. Behind target dates.
 - c. Ahead of target dates.
2. *Barriers.* -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.
3. *Significant modifications to implementation plan.* -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify.

VII. BUILDING BLOCK: FEDERAL SYSTEM INTERFACES

A. Interface Efforts

1. *General efforts.* – How does your agency interface information from EC mechanisms (such as the purchase card or electronic catalogs) with existing systems (such as the core financial system, procurement system, or logistics / receiving system)? What challenges have you experienced in this area in FY 1999?
2. *Future efforts.* – How does your agency plan to improve systems interfaces?

B. Agency Overall Evaluation of Progress: Federal Systems Interfaces

1. *Overall progress toward achieving expectations in implementation plan.* – How does your overall progress in the pursuit of initiatives under this building block compare to expectations established in your implementation plan?
 - a. On track.
 - b. Behind target dates.
 - c. Ahead of target dates.
2. *Barriers.* -- Please briefly describe any major obstacles, if any, that you have encountered in pursuit of initiatives under this building block.
3. *Significant modifications to implementation plan.* -- Have you significantly modified the major initiatives you are pursuing under this building block or the target dates for completion? If so, please identify.

AGENCY POINTS OF CONTACT:

Please identify an overall point of contact: (Name, Title, Organization, Phone, Fax, E-mail)

If applicable, please identify additional points of contact by building block (Name, Title, Organization, Phone, Fax, E-mail):

- Change Management
- Electronic Catalogs
- Electronic Payments
- Identification and Authentication
- Contract Formation and Administration
- Contract Writing Systems
- Federal System Interfaces